

KENTUCKY LOTTERY CORPORATION

RULES AND REGULATIONS

**“PICK 4”**

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## RULES AND REGULATIONS

### “PICK 4”

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#### 1. CREATION

Pursuant to the laws creating and governing the Kentucky Lottery Corporation, there is created a lottery draw game, hereinafter called “Pick 4,” which shall continue until the President publicly announces a termination date.

#### 2. PURPOSE

The purpose of the “Pick 4” game shall be to determine winners from ticket holders matching a four-digit number from 0000 through 9999, or a designated combination thereof, with the four-digit Winning Number randomly drawn at a daily drawing.

#### 3. DEFINITIONS

The following words and terms shall have the following meaning unless otherwise indicated:

- (a) **Play Slip** - a form used in indicating a player’s wager having five (5) game boards (identified as Play A, Play B, Play C, Play D and Play E) each containing four (4) vertical lines of identical digits in each line ranging from 0 to 9. In each game board which the players wish to play, the players mark their four-digit number; mark the way in which they wish to play that number: straight, box, straight/box, or 1-OFF®; the amount they wish to wager; the number of draws they wish to play or whether they wish to make a “Quick Pick” (computer generated selection), and the DRAWTIME (Midday, Evening or Both). A player may choose to select the number(s) for an advance drawing by marking the drawtime the player wishes to play and the day in the column marked “Advance Play,” and may choose to select the number of draws for which the player wishes to play the number(s) by marking the number of draws in the column marked “Number of Draws”;
- (b) **Lottery** - The Kentucky Lottery Corporation;
- (c) **President** - President of the Kentucky Lottery Corporation or any other person to whom the President’s authority is lawfully delegated;

- (d) **Retailer or Pick 4 Sales Retailer** - A person licensed to sell lottery tickets who has been approved and contracted with to sell Pick tickets;
- (e) **Game Ticket or Ticket** - A Pick 4 ticket, produced by a Retailer in an authorized manner, containing one (1) to five (5) separate plays (for tickets generated by Play Slips) or one (1) to ten (10) separate plays (for tickets generated manually), drawing date(s), drawing time(s) (Midday, Evening or Both), the amount wagered and the validation serial number. A Ticket containing a 1-OFF® wager will also include all the possible combinations in which each of the four (4) digits is one (1) number higher or one (1) number lower than each of the player's four (4) digits. Any wager which includes a 1-OFF® Wager, alone or in conjunction with any other wager type, will print a separate ticket for each Play;
- (f) **Winning Numbers** - One (1) four-digit number from 0000 through 9999 randomly selected at each Pick 4 drawing on a drawing day/time shall be used to determine the winning Pick 4 plays contained on Game Tickets;
- (g) **Straight Wager** - A four-digit number designated to match in exact order the four-digit number selected by the Lottery on a drawing day/time;
- (h) **4-Way Box** - A four-digit number with three duplicate digits (e.g., 1112), in any sequence;
- (i) **6-Way Box** - A four-digit number with two sets of duplicate digits (e.g., 1212), in any sequence;
- (j) **12-Way Box** - A four-digit number with two duplicate digits (e.g., 1123), in any sequence;
- (k) **24-Way Box** - A four-digit number with no duplicate digits (e.g., 1234), in any sequence;
- (l) **Straight/Box** - A one dollar (\$1.00) minimum wager in which places fifty cents (\$0.50) on a Box Wager and fifty cents (\$0.50) on a Straight Wager. Player collects on both the Straight Wager and Box Wager if number played is the winning number selected by the

Lottery on a drawing day/time in exact order. The player collects on Box Wager, only, if the number played is the winning number selected by the Lottery on a drawing day/time in different order;

- (m) **1-OFF®** - A wager designed to allow a player to win if, in exact order, one, two, three or four of the digits chosen are one number higher or one number lower than the four digits of the winning numbers for the drawing. The eighty one (81) 1-OFF® numbers printed on the ticket are all the possible combinations in which each of the four (4) digits is one (1) number higher or one (1) number lower than each of the player's four (4) digits. A player also may win if the four-digit number chosen matches, in exact order, the official four digits of winning numbers for the drawing ("straight win"). A prize for straight win with a 1-OFF® wager will be half the amount of a Straight wager prize.
- (n) **Drawing day/time** - the date and time (Midday or Evening) on which a drawing is held.

4. TICKET SALES RETAILERS

- (a) Pick 4 ticket sales may only be made through such duly licensed Retailers as the President will appoint and contract with as provided in the Lottery's governing statutes, rules and regulations (relating to ticket sales retailers);
- (b) The Lottery may, at its discretion, terminate sales, without prior notice, by any retailer upon grounds set forth in the Retailer License Agreement (and any amendments thereto) in KRS Chapter 154A, and in any administrative regulations adopted from time to time by the Lottery, copies of which may be obtained from the Lottery's corporate headquarters upon written request.

5. TICKET PRICE

Pick 4 tickets may be purchased for a minimum wager of fifty cents (0.50), or up to five dollars (\$5.00) per Play on a Playslip, or up to ten dollars (\$10.00) per Play on the terminal, depending on the play type, or in multiples thereof in the case of an Advance or Multi-draw wager. Straight/Box wagers and 1-OFF® wagers may be purchased for a minimum wager of one dollar (\$1.00). The President may authorize the sale of Pick 4 tickets at a discount for promotional purposes.

6. PLAYSLIP, TICKET CHARACTERISTICS AND RESTRICTIONS

- (a) To purchase a Pick 4 ticket, players may submit their completed Play Slip to an authorized Pick 4 Retailer to have issued a Game Ticket which shall contain the four (4) number selection in each game board (identified by an alpha character as identified in Section 3: Definitions), the drawing date, the drawing time (Midday, Evening or Both), amount wagered, type of wager and validation . Players may optionally request a random computer selection of numbers (Quick-Pick) by indicating this option at the time of purchase, by marking the Quick Pick box in the appropriate game panel, or by purchasing a Game Ticket from a lottery vending machine. This Game Ticket shall be the only valid proof of the wager placed and the only valid receipt for claiming or redeeming a prize;
- (b) Plays may only be entered manually using the lottery terminal keypad or by means of a Play Slip provided by the Lottery and hand-marked by the player or by such other means approved by the Lottery. Retailers shall not permit the use of facsimiles of play slips, copies of play slips, or other materials that are inserted into the terminal's play slip reader that are not printed or approved by the Lottery. Retailers shall not permit any device to be connected to a lottery terminal to enter plays, except as approved by the Lottery;
- (c) Play Slips shall be available at no cost to the purchaser. The minimum wager is fifty cents (\$0.50), except for Straight/Box wagers and 1-OFF® wagers, for which the minimum wager is \$1.00. The four (4)-digit number must be selected in accordance with the instructions printed on the Play Slip. A Play Slip shall have no pecuniary or prize value and shall not constitute evidence of purchase or numbers selected;
- (d) In the event Play Slips are unavailable, plays may be given to an authorized Pick 4 Retailer in groups of four (4) number selections for each game wagered. Such selections shall be manually entered into the computer terminal by the Retailer;
- (e) Pick 4 tickets may be purchased for up to seven (7) consecutive drawings (known as "Multi-Draw"). Players may place multi-draw wagers for Midday draws, Evening draws, or Midday and Evening drawings (via the Both Option). If the Both Option is used in conjunction with Multi-Draw, a ticket will be generated for each

consecutive Midday and Evening draw of the desired number of draws selected;

- (f) Pick 4 tickets may also be purchased for future drawings (Monday - Sunday) up to six (6) days in advance (known as “Advanced Wager”). Advance wagers may be placed for a single-draw Midday drawing, a single-draw Evening drawing, and a single-draw Midday & Evening drawing (via Both option) in advance of the current day by using the Day of Week and DRAW TIME keys.
- (g) A Game Ticket may be canceled on the same day the ticket was purchased, within one hour of the purchase, only prior to the appropriate draw break, and only from the Retailer from whom the ticket was purchased.

#### 7. TIME, PLACE AND MANNER OF CONDUCTING DRAWING

- (a) **Time of Drawing** - Pick 4 drawings shall be held on a daily basis as determined by the President and publicly announced by the Lottery. Beginning February 14, 2016, Pick 4 drawings shall be held twice per day, Monday through Sunday, at approximately 1:25 p.m. ET and 11:00 p.m. ET;
- (b) **Place of Drawings** - Pick 4 drawings shall be conducted at a location determined at the President’s discretion;
- (c) **Manner of Conducting Drawings** - The objective of the Pick 4 drawing shall be to select at random one (1) four-digit number from 0000 to 9999, which shall be known as the Winning Number, with the aid of drawing equipment, pursuant to the controls and methods defined within the document “Pick 4 Drawing Procedures,” as presently constituted and as may be hereinafter revised from time to time. Notwithstanding the Pick 4 Drawing Procedures, however, the actual order of the balls as drawn, as depicted in the security video recording of the drawing, shall constitute the official winning numbers for the drawing.

#### 8. TICKET RESPONSIBILITY

- (a) A winning Pick 4 ticket is deemed to be a bearer instrument until a name is affixed upon the ticket in the designated area. At that time the ticket shall be deemed to be owned for all purposes by the person(s) so named;

- (b) The Lottery shall not be responsible for lost or stolen Pick 4 tickets;
- (c) The purchaser of the Pick 4 ticket has the sole responsibility for checking the accuracy and condition of the data printed on the ticket;
- (d) The Lottery shall not be responsible for Pick 4 tickets redeemed in error by a player from a Pick 4 Sales Retailer.

9. TICKET VALIDATION REQUIREMENTS

- (a) **Valid tickets** - In order to be deemed a valid Pick 4 ticket, the apparent winning ticket must be presented and all of the following conditions must be met:
  - (1) The ticket validation serial number must be present in its entirety. The selected numbers printed on the ticket must correspond to the winning numbers drawn for the date and drawing time printed on the ticket. The validation serial number and the selected numbers must both correspond to the computer validation records maintained by the Lottery or its designated draw games vendor;
  - (2) The ticket must be intact;
  - (3) The ticket must not be mutilated, altered, reconstituted or tampered with in any manner;
  - (4) The ticket must not be counterfeit or an exact duplicate of another winning ticket;
  - (5) The ticket must have been issued by the Lottery through a Pick 4 Sales Retailer in an authorized manner;
  - (6) The ticket must not have been stolen;
  - (7) The ticket must be validated in accordance with Section 10 (relating to procedures for claiming and payment of prizes) and submitted for payment within one hundred eighty days (180) days of the last drawing date printed on the ticket, and will not be

valid or paid if submitted after one hundred eighty (180) days after the last drawing date printed on the ticket;

- (8) The player selected or computer selected numbers on the ticket must be in individual groups of four (4) numbers each associated with a single alpha character: A, B, C, D, E, F, G, H, I or J. The four (4) numbers and the associated alpha character must constitute a single game play;
  - (9) The ticket data must have been recorded on the central computer system prior to the drawing and the ticket data must match this computer data in every respect;
  - (10) The player selected or computer selected numbers, the validation serial number, the drawing date, and the drawing time of an apparent winning ticket must appear on the official file of winning tickets and a ticket with that exact data must not have been previously paid;
  - (11) The ticket must not be misregistered, defectively printed or printed or produced in error to an extent that it cannot be processed by the Lottery;
  - (12) The ticket must pass all other confidential security checks of the Lottery;
  - (13) By submitting a Pick 4 ticket for validation, the player agrees to abide by the Rules and Regulations pertaining to Pick 4, as determined by the President;
  - (14) There must not be any other breach of these Rules and Regulations in relation to the ticket which, in the opinion of the President, justifies disqualification.
- (b) **Invalid or Defective Tickets** - Any ticket not passing all of the validation criteria in this subsection shall be considered void and shall not be paid.

- (1) The determination of the President in regard to invalid or defective tickets shall be final and binding. At the President's discretion, an invalid ticket may be replaced with a ticket of equivalent sales price from any current Lottery game;
- (2) In the event a defective ticket is purchased, or in the event the President determines to adjust an error, the sole and exclusive remedy shall be the replacement of such defective and erroneous ticket with a ticket of equivalent sales price from any current Lottery game;
- (3) In the event a ticket is not paid by the Lottery and a dispute occurs as to whether the ticket is a winning ticket, the Lottery may, at its option, replace the ticket as provided in paragraph (2) of this subsection. This shall be the sole and exclusive remedy of the holder of the ticket.

10. PROCEDURES FOR CLAIMING AND PAYING PRIZES

- (a) Prizes won shall be claimed within one hundred and eighty (180) days following the date of the Drawing in which the prize was won, and such prizes shall be claimed in the same manner as other draw game prizes as set forth below. If a Ticket contains multiple Drawings in which prizes were won on separate days, each prize still must be claimed within one hundred and eighty (180) days following the date of the specific Drawing in which the prize was won.
- (b) Tickets having a total cash prize value of Fifty Dollars (\$50.00) or less may be claimed by:
  - (i) presenting the Ticket at any Retailer, provided that such Retailer has sufficient funds available for payment, or at any authorized KLC Cashing Agent;
  - (ii) presenting the Ticket at a designated Kentucky Lottery Regional Office other than the Louisville Regional Office;
  - (iii) presenting the Ticket at Lottery headquarters located at 1011 West Main Street, Louisville, Kentucky 40202; or

- (iv) mailing the signed winning Ticket and an official Lottery claim form to: Kentucky Lottery Corporation, Claims Dept. 100, Louisville, Kentucky 40287-0001.
- (c) Tickets having a total cash prize value of over Fifty Dollars (\$50.00) and up to Six Hundred Dollars (\$600.00).
- (i) Tickets having a total cash prize value of over Fifty Dollars (\$50.00) and up to Six Hundred Dollars (\$600.00) may be claimed within ninety (90) days following the date of the Drawing in which the prize was won by presenting the Ticket in any manner specified in subsection (b) of this section.
  - (ii) Tickets having a total cash prize value of over Fifty Dollars (\$50.00) and up to Six Hundred Dollars (\$600.00) which are not claimed within the ninety (90) day period, must be claimed within one hundred eighty (180) days following the date of the Drawing in which the prize was won by presenting the Ticket in any manner specified in subsection (b) (2), (3) or (4) of this section;
- (d) Tickets having a total cash prize value of over Six Hundred Dollars (\$600.00) and up to Five Thousand Dollars (\$5,000).
- (i) Tickets having a total cash prize value of over Six Hundred Dollars (\$600.00) and up to Five Thousand Dollars (\$5,000) may be claimed within ninety (90) days following the date of the Drawing in which the prize was won by presenting the Ticket at any Retailer location that is an authorized cashing agent or in any manner specified in subsection (b) (ii), (iii) or (iv) of this section.
  - (ii) Tickets having a total cash prize value of over Six Hundred Dollars (\$600.00) and up to Five Thousand Dollars (\$5,000) not claimed within the ninety (90) day period must be claimed within one hundred eighty (180) days following the date of the Drawing in which the prize was won by presenting the Ticket in the manner specified in subsection (b) (2), (3) or (4) of this section.
- (e) Tickets having a total cash prize value of over Five Thousand Dollars (\$5,000) and up to Ninety Nine Thousand Nine Hundred Ninety Nine Dollars and Ninety Nine Cents (\$99,999.99) may be claimed at the Lexington Regional Office) or the Lottery headquarters located at 1011 West Main Street, Louisville, Kentucky 40202.

- (f) Tickets having a total cash prize value of One Hundred Thousand Dollars (\$100,000.00) or over must be claimed at the Lottery headquarters located at 1011 West Main Street, Louisville, Kentucky.
- (g) In the event a single Ticket contains multiple wins, the prize amounts shall be added together and shall be paid in accordance with the prize payment limits specified in subsections (b) through (f) of this section.
- (h) The payment of prizes to persons under eighteen (18) years of age and to those persons who may die before receiving any or all of a particular prize shall be paid in accordance with KRS 154A.110 (relating to prizes payable after the death of a prize winner and payment to persons under eighteen (18) years of age), and rules promulgated with respect thereto.
- (i) The Lottery shall be discharged of any and all liability after payment of prizes as provided in KRS 154A.110(4) (relating to discharge of Lottery liability upon payment).

11. DETERMINATION OF PRIZE WINNERS

- (a) Owners of tickets and prizes awarded shall be determined in the following table:
- (b) The following prizes are based on one dollar (\$1.00) wagers; fifty cent (\$.50) wagers would reduce the prizes by half; wagers of two dollars (\$2.00), three dollars (\$3.00), four dollars (\$4.00), five dollars (\$5.00) and ten dollars (\$10.00) would multiply prizes by that dollar amount (e.g., a three dollar (\$3.00) straight wager would be worth \$15,000);

<u>Type of Wager &amp; Odds</u>	<u>Ticket Cost</u>	<u>Prize</u>
<b>Straight:</b> Four digits in exact order (e.g., 1234) - 1 way to win Odds: 1:10,000	\$1.00	\$5,000
<b>Box (4-Way):</b> Four digits with a triplicate digit (e.g., 1112) - 4 ways to win Odds: 1:2,500	\$1.00	\$1,200
<b>Box (6-Way):</b> Four digits with two duplicate digits (e.g., 1122) - 6 ways to win Odds: 1:1,667	\$1.00	\$ 800
<b>Box (12-Way):</b> Four digits with one duplicate digit (e.g., 1123) - 12 ways to win Odds: 1:833	\$1.00	\$ 400
<b>Box (24-Way):</b> Four digits with no duplicate digits (e.g., 1234) - 24 ways to win Odds: 1:417	\$1.00	\$ 200
<b>Straight/Box:</b> Combines a fifty cent (\$0.50) Straight Wager with a fifty cent (\$0.50) Box Wager on the same bet. Select winning digits in exact order and collect on both Straight and Box; select winning digits in any order and collect on Box, only (\$1.00 minimum wager).		

<u>Type of Wager &amp; Odds</u>	<u>Ticket Cost</u>	<u>Prize</u>
Straight/Box (12-Way) (1 pair of numbers)	\$1.00	\$2,700 (exact order) \$ 200 (any order)
Straight/Box (24-Way) (4 different numbers)	\$1.00	\$2,600 (exact order) \$ 100 (any order)
<b>1-Off (Straight Match):</b> Odds: 1:10,000	\$1.00	\$2,500
<b>Match One Digit that is 1-Off the Winning Numbers</b> Odds: 1:1,250	\$1.00	\$124
<b>Match Two Digits that are 1-Off the Winning Numbers</b> Odds: 1:417	\$1.00	\$24
<b>Match Three Digits that are 1-Off the Winning Numbers</b> Odds: 1:313	\$1.00	\$14
<b>Match Four Digits that are 1-Off the Winning Numbers:</b> Odds: 1:625	\$1.00	\$32

- (c) The number of Prize Categories and the allocation of prize money among the Prize Categories may be changed at the discretion of the President and Board of Directors. Such change shall be announced by public notice.

12. UNCLAIMED PRIZE MONEY

All prize money on winning Pick 4 tickets may be retained by the President for payment to the person entitled thereto. In the event no claim or redemption is made within one hundred eighty days (180) days of the drawing date printed on the ticket, the prize money shall be deposited and paid out in accordance with KRS 154A.110(3).

13. WITHHOLDING

Kentucky and federal withholding shall be withheld by the Lottery from prize payments in such amounts as may be required, in accordance with applicable provisions of state and federal law. Prizes are subject to set off of certain debts as required by law.

14. PURCHASE AND PRIZE PAYMENT RESTRICTIONS

- (a) Lottery tickets may only be sold to persons eighteen (18) years of age or older;
- (b) No Pick 4 game ticket shall be purchased and no prize paid to any of the following persons: any member of the Board of Directors, officers, or employees of the KLC; any vendors or related entities (as defined in KRS 154A.010), or any member of the board of directors, officers, employees of, partners in, or owners of any vendors or related entities to the vendors; or any spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of abode of any said person.

15. PRIZE LIABILITY LIMIT

The KLC may from time to time establish a prize liability limit for sales of tickets for any given drawing without public notice, thereby cutting off sales of tickets for such drawing if the liability limit would be exceeded by the drawing of any particular numbers.

16. GOVERNING LAW

- (a) In purchasing a ticket, the purchaser agrees to comply with and abide by applicable laws, all lottery Rules and Regulations, instructions, conditions and final decisions of the President, and all procedures established by the President for conduct of the Pick 4 game;
- (b) All decisions made by the President, including the declaration of prizes and the payment thereof, in the interpretation of the Rules and Regulations shall be final and binding on all players and on every person making a claim in respect, thereof.